



Public School Employees' Retirement Board

Board Meeting Minutes

Friday, October 21, 2022

Call to Order: Chair Christopher Santa Maria called the meeting to order at 10:30 A.M. from the PSERS Board Room and via MS Teams.

Board Members Present:

Christopher Santa Maria, Chairperson	Jason Davis	Sec. Richard Vague
Rep. Frank Ryan, Vice-Chairperson	Treas. Stacy Garrity	Melva Vogler
Patrick Shaughnessy for Rep. Matt Bradford	Patrick Lord for Sec. Eric Hagarty	<i>Absent – Eric DiTullio</i>
Stacey Connors for Sen. Patrick Browne	Susan Lemmo	<i>Absent – Nathan Mains</i>
	Ann Monaghan	<i>Absent – Sen. Katie Muth</i>
	Joe Torsella	

Others Present:

James Bloom	Lloyd Ebright	Charles Marion, BlankRome
Susan Boyle	Alan Flannigan	Sosseh Prom, ACT
Christopher Craig	Jonathan Goldman, BlankRome	Claire Shaughnessy, Aon
Eric Dice	David Jacobson, BlankRome	Jill Vecchio

Staff Present:

Michael Benson	Mei Gentry	Jennifer Mills
Peter Camacci	Beverly Hudson	Kristen Petrosky
Brian Carl	Joe Indelicato	Terri Sanchez
Tivia Danner	Denise Knapp	Letitia Schubauer
James Del Gaudio	Patrick Knapp	David Shissler
Bob Devine	Carl Lantz	Philip VanGraafeiland
Andy Fiscus	G. Anthony Meadows	Laura Vitale

7.1 Roll Call

Terri Sanchez took roll and confirmed Board member quorum.

7.2 Acceptance of Published Agenda or Amendments

Christopher Santa Maria asked for a motion to accept the published agenda. Rep. Frank Ryan moved, with Patrick Shaughnessy seconding. The motion passed, with three absent being Eric DiTullio, Nathan Mains, and Sen. Katie Muth.

7.3 Approval of Minutes from August 5 and October 4, 2022

Christopher Santa Maria asked for a motion to approve the August 5 and October 4, 2022 minutes. Melva Vogler moved, with Jason Davis seconding. The motion passed with three absent being Eric DiTullio, Nathan Mains, and Sen. Katie Muth.

7.4 Recognition of Board Trustees

Resolution 2022-63 Re: Board Trustee State Rep. Francis “Frank” X. Ryan

Whereas State Rep. Francis “Frank” X. Ryan has served on the Public School Employees’ Retirement System Board since June 2019, as the House Speaker’s Appointee to the Board; and

Whereas Rep. Ryan has served with distinction in many capacities, including as Vice Chair of the Board, Chair of the Audit, Compliance and Risk Committee, Chair of the Defined Contribution Committee; and as a member of the Benefits and Appeals, Financial and Actuarial, Elections, and Health Care Committees; and

Whereas Rep. Ryan served as a strong advocate for PSERS budgetary needs in the General Assembly to ensure the System received its actuarially determined contribution to properly cover members' promised benefits and funding to support the System's risk and compliance efforts; and

Whereas Rep. Ryan has left a lasting legacy on the Board and the System by imparting and shepherding new financial, investment, auditing and organizational practices and procedures he learned over his decades-long career as a successful Certified Public Accountant and during his years of proud service to our nation in the Marine Corps Reserves; and

Whereas Rep. Ryan's business acumen and military bearing shined brightest as Chair of the Audit, Compliance and Risk Committee; and

Whereas Rep Ryan's dedication to public service and volunteerism was exemplified by the time and vigilant effort he devoted to the work of the Audit, Compliance and Risk Committee and to all the work of the Board and its committees; and

Whereas Rep. Ryan's name will forever be linked to Board Resolution 2021-34, which initiated the SOC1 Type2 audit study process and when Trustees and employees utter the phrase "SOC1 Type2."

Now therefore **RESOLVED**, that PSERS Board of Trustees hereby thanks Rep. Ryan for his dedicated service to PSERS and offers best wishes for him in retirement.

Christopher Santa Maria moved, with Susan Lemmo seconding. The motion passed with three absent being Eric DiTullio, Nathan Mains, and Sen. Katie Muth.

Resolution 2022-64 Re: Board Trustee State Sen. Patrick "Pat" M. Browne

Whereas State Sen. Patrick "Pat" M. Browne has served on the Public School Employees' Retirement System Board since July 2009, as the Senate President Pro Tempore's Appointee of the Board; and

Whereas Sen. Browne has served with distinction in many capacities, including as Chair of Financial and Actuarial, Corporate Governance, Audit, Compliance and Risk, and Bylaws/Policy committees; and as a member of the Personnel and Technology Steering committees; and

Whereas Sen. Browne has left a lasting legacy on the Board and across the Commonwealth by using his extensive political and policy skills as a legislator, lawyer, and certified public accountant to help craft Act 120 of 2010, historic legislation that realigned some benefit costs and amended employers' actuarial underfunding to put PSERS on the path to renewed fiscal stability; and

Whereas Sen. Browne, as Chairman of the Senate Appropriations Committee since 2014, has ensured the General Fund keeps with Act 120's tenants by providing PSERS' actuarially determined contribution to cover members' promised benefits and also by supporting budgetary resources to bolster the System's investment, and risk and compliance efforts; and

Whereas PSERS recognizes that Sen. Browne's duty to the System was an outgrowth of his unwavering support for public education employees and the students they serve during his outstanding 27-year career serving in the Pennsylvania Senate and House of Representatives for the Lehigh Valley and Commonwealth.

Now therefore **RESOLVED**, that PSERS Board of Trustees hereby thanks Sen. Browne for his dedicated service to PSERS and offers best wishes in his future endeavors.

Christopher Santa Maria moved, with Susan Lemmo seconding. The motion passed with three absent being Eric DiTullio, Nathan Mains, and Sen. Katie Muth.

Christopher Santa Maria took the opportunity to also recognize Patrick Shaughnessy, designee for Rep. Matt Bradford. "On behalf of the Board and, I want to thank Patrick Shaughnessy for his service. Appointed as Designee in 2017 and serving on several Committees, including Governance and Administration, Patrick focused on the health and success of the Fund. We recognize Patrick for all his efforts and offer our best wishes in his future endeavors."

Melva Vogler took the opportunity to recognize Stacey Connors, designee for Sen. Patrick Browne.

“On behalf of the Board and, I want to thank Stacey Connors for her service. Appointed as Designee in 2009 and serving on several Committees, including the Finance and Actuarial Committee, Stacey focused on the health and success of the Fund. We recognize Stacey for all her efforts and offer our best wishes in her future endeavors.”

7.5 Introduction of New Board Designees

Christopher Santa Maria introduced Rep. Torren Ecker as designee for Rep. Frank Ryan; Eric Pistilli as designee for Sec. Richard Vague Dice; and Eric Dice as designee for Rep. Matt Bradford.

Melva Vogler announced Susan Lemmo was elected to the NCTR Executive Committee.

7.6 Introduction of Guests and Public Comment

Terri Sanchez introduced Sosseh Prom from African Communities Together (ACT). Ms. Prom provided comments regarding CIM Group’s Southern Towers Ownership. Presentation located in Diligent Board Book. A discussion followed.

7.7 Old Business

7.7.1

Terri Sanchez reported a notational ballot process for Keystone Orlando, LLC Disposition was commenced on 08/24/22, and ran through 08/26/22, upon which the votes were tabulated, by the Board Liaison and verified by me, as Executive Director. Ms. Sanchez confirmed that the votes were fourteen (14) in favor, and one (1) no response being Sen. Katie Muth.

Resolution 2022-59 Keystone Orlando, LLC Disposition

RESOLVED, that the Public School Employees’ Retirement Board hereby disposes of the asset held by Keystone Florida, LLC at a purchase price which produces a net internal rate of return in excess of the original underwritten projected net internal rate of return and in accordance with the recommendation of Melissa A. Quackenbush, Senior Portfolio Manager. The final terms and conditions of the investment must be satisfactory to the Investment Office, the Office of Chief Counsel, and the Office of Executive Director, as evidenced either by the appropriate signatures on, or by a memo to that effect appended to, the implementing investment contract.

7.7.2

Terri Sanchez reported a notational ballot process for Keystone Parkland, LLC Disposition was commenced on 08/31/22, and ran through 09/07/22, upon which the votes were tabulated, by the Board Liaison and verified by me, as Executive Director. Ms. Sanchez confirmed that the votes were thirteen (13) in favor, and two (2) no responses being Sen. Katie Muth and Nathan Mains.

Resolution 2022-60 Keystone Parkland, LLC Disposition

RESOLVED, that the Public School Employees’ Retirement Board hereby disposes of the asset held by Keystone Parkland, LLC, a wholly owned subsidiary of PSERS’ holding company, Keystone Florida, LLC, at a purchase price which produces a net internal rate of return in excess of the original underwritten projected net internal rate of return and in accordance with the recommendation of Robert Devine, Interim Chief Executive Officer. The final terms and conditions of the investment must be satisfactory to the Investment Office, the Office of Chief Counsel, and the Office of Executive Director, as evidenced either by the appropriate signatures on, or by a memo to that effect appended to, the implementing investment contract.

7.7.3

Terri Sanchez reported a notational ballot process for Keystone Miramar/Milano, LLC Disposition was commenced on 08/31/22, and ran through 09/07/22, upon which the votes were tabulated, by the Board Liaison and verified by me, as Executive Director. Ms. Sanchez confirmed that the votes were thirteen (13) in favor, and two (2) no responses being Sen. Katie Muth and Nathan Mains.

Resolution 2022-61 Keystone Miramar/Milano, LLC Disposition

RESOLVED, that the Public School Employees’ Retirement Board hereby disposes of the assets held by Keystone Miramar, LLC and Keystone Milano, LLC, each a wholly owned subsidiary of PSERS’ holding company, Keystone Florida, LLC, at a purchase price which produces a net internal rate of return in excess of the original underwritten projected net internal rate of return and in accordance with the recommendation of Robert Devine, Interim Chief Executive Officer. The final terms and conditions of the investment must be satisfactory to the Investment Office, the Office of Chief Counsel, and the Office of Executive Director, as

evidenced either by the appropriate signatures on, or by a memo to that effect appended to, the implementing investment contract.

7.8 New Business

7.8.1

Terri Sanchez opened a discussion related to the scheduling of 2023 PSERB Meetings. Ms. Sanchez proposed PSERB schedule the January organizational meeting, directed Committee Liaisons to work with Committee Chairs on the frequency and timing of Committee meetings, and explained the Committee Liaison project to complete Committee Work Plans. The Executive Director and Board Liaison will collect Legislative calendars and conference schedules to cross reference for optimal dates for remaining meetings to be presented and approved at the January organizational meeting.

7.8.2 Action Item

Resolution 2022-65 Amendments to Bylaws: Article I, Section 4, Subsections 4.5-4.6 (Committee Chairs and Committee Vice Chairs), Article II, Sections 1-7 (Committee Charters), Article I, Subsection 3.10 (Public Participation)

WHEREAS, on October 5, 2022, advance written notice of the proposed amendments to the Statement of Organization, Bylaws, and Other Procedures (“Current Bylaws”) and Model Governance Manual Framework (“Governance Framework”) was provided to members of the Public School Employees’ Retirement Board (the “Board”) pursuant to Article I: Bylaws, Section 8: Amendments of the Governance Framework and Article X, Section 10.3: Amendment or Repeal of the Current Bylaws.

RESOLVED, that the Board hereby adopts the proposed amendments to the various Committee Charters, (Article II, Sections 1-7 of the Governance Framework) dated October 21, 2022, and contained in Attachment A.

Further **RESOLVED**, that the Board hereby adopts the proposed amendment found at Attachment B to be incorporated as Subsection 3.10 of the Governance Framework.

Further **RESOLVED**, that the Board hereby repeals Section 5.9 (Public Participation) of the Current Bylaws.

Further **RESOLVED**, that the Board hereby adopts the proposed amendments found at Attachment C to Article I: Bylaws, Section 4: Committees of the Board, Subsections 4.5 Committee Chairs and 4.6 Committee Vice-Chairs of the Governance Framework.

Patrick Shaughnessy moved, with Jason Davis seconding. The motion passed with three absent being Eric DiTullio, Nathan Mains, and Sen. Katie Muth.

7.8.3 Action Item

Resolution 2022-66 Public Participation and Attendance in Open Meetings Policy

RESOLVED, that the Public School Employees’ Retirement Board hereby adopts the Public Participation and Attendance in Open Meetings Policy as proposed and recommended by the Governance & Administration Committee, and contained in Attachment D.

Melva Vogler moved, with Patrick Shaughnessy seconding. The motion passed with three absent being Eric DiTullio, Nathan Mains, and Sen. Katie Muth.

7.9 Committee Reports

7.9.1 Finance and Actuarial Committee

Stacey Connors reported on the Committee meeting held on October 20, 2022.

Stacey Connors stated that the Committee approved the minutes of the June 16, meeting.

Stacey Connors reported on the following:

Brian Carl and Andrew Fiscus presented the Fiscal 2023-24 Budget Requests.

Brian Carl explained Closed School Withdrawal Liability.

Brian Carl presented the June 30, 2022 and 2021 Financial Statements.

Sen. Browne provided an update on three Finance procurements.

Action Items –

Resolution 2022-67 Re: Fiscal Year 2023-24 Budget Requests

Resolved, that the Public School Employees’ Retirement Board hereby adopts the following Fiscal Year 2023-24 Budget Requests as presented by Brian Carl and Andrew Fiscus:

1. The 2023-24 Administrative Budget, not to exceed \$57,102,000, subject to adjustments by the Governor's Budget Office or the General Assembly.
2. The 2023-24 Investment Related Expenses Budget, not to exceed \$40,883,000.
3. The 2023-24 Defined Contribution Budget, not to exceed \$1,176,000, subject to adjustments by the Governor's Budget Office or the General Assembly.
4. The 2023-24 Health Insurance Account (Premium Assistance) - Administrative Budget, not to exceed \$1,264,000.
5. The 2023-24 Health Options Program - Administrative Budget, not to exceed \$1,644,000.
6. The 2023-24 Directed Commissions Recapture Program Budget, not to exceed \$2,000,000, subject to adjustments by the Governor's Budget Office or the General Assembly, for the Public School Employees' Retirement System.

Stacey Connors moved, with Melva Vogler seconding. The motion passed with three absent being Eric DiTullio, Nathan Mains, and Sen. Katie Muth.

Resolution 2022-68 Re: June 30, 2022 and 2021 Financial Statements and Ratification of Payments

Resolved, that the Public School Employees' Retirement Board hereby adopts the June 30, 2022 and 2021 Financial Statements as prepared by the Public School Employees' Retirement System Office of Financial Management and ratifies all payments that are reflected in the June 30, 2022 and 2021 Financial Statements.

Stacey Connors moved, with Rep. Frank Ryan seconding. The motion passed with three absent being Eric DiTullio, Nathan Mains, and Sen. Katie Muth.

7.9.2 Audit, Compliance, and Risk Committee

Rep. Frank Ryan reported on the Committee meeting held on October 20, 2022.

Rep. Frank Ryan stated that the Committee approved the minutes of the August 4 and October 11, 2022, meetings.

Rep. Frank Ryan reported on the following:

CLA provided a report on the Financial Statement Audit.

Mei Gentry provided a Fiscal Year 2022-23 Audit Plan Update.

Alicia James provided an overview of the Investment Compliance Program.

The Committee met in Executive Session to discuss the Investment Compliance Review Report, the Financial Statement Audit RFP Vendor Selection, the Real Estate Investment Process Review, the MAPs Update, and the HOP/PDP Updates.

Action Items –

Resolution 2022-69 Re: Clifton Larsen Allen (CLA) Financial Statement Audit Report

Resolved, that the Public School Employees' Retirement Board hereby adopts the Financial Statement Audit Report, as presented by Clifton Larsen Allen.

Rep. Frank Ryan moved, with Treas. Stacy Garrity seconding. The motion passed with three absent being Eric DiTullio, Nathan Mains, and Sen. Katie Muth.

Resolution 2022-70 Re: Financial Audit Services

Resolved, that the Public School Employees' Retirement Board, in accordance with the recommendation of the Audit, Compliance, and Risk Committee hereby retain SB & Company as the Financial Audit Services for a contract term not to exceed five years.

The final terms and conditions of the contract must be satisfactory to the Internal Audit Office, the Office of Chief Counsel, and the Office of Executive Director, as evidenced either by the appropriate signatures on, or by a memo to that effect appended to the implementing contract.

Rep. Frank Ryan moved, with Jason Davis seconding. The motion passed with three absent being Eric DiTullio, Nathan Mains, and Sen. Katie Muth.

7.9.3 Defined Contribution Plan

Rep. Frank Ryan reported on the Committee meeting held on October 20, 2022.

Rep. Frank Ryan stated that the Committee approved the minutes of the June 16, 2022, meeting.

Rep. Frank Ryan reported on the following:

Jennifer Mills presented the Q2 2022 review

The Committee met in Executive Session to discuss the DC Plan Tier II Investment Lineup.

The Committee discussed an extension of CPATRUST Financial Advisors.

Action Items –

Resolution 2022-71 Re: Invesco Developing Markets R6

Resolved, that the Public School Employees' Retirement Board hereby removes Invesco Developing Markets R6 (Invesco) from the Tier 2 Investment Options in the PSERS' School Employees' Defined Contribution Plan ("DC Plan") without a replacement fund and to notify the participants with a balance in Invesco to move such balances to an alternative option offered by the DC Plan; provided that if such participants fail to act in response to the written notice, the monies shall be transferred on behalf of the participants to the American Funds Europacific Growth R6, pursuant to the recommendation of CAPTRUST dated September 23, 2022.

Rep. Frank Ryan moved, with Patrick Shaughnessy seconding. The motion passed with three absent being Eric DiTullio, Nathan Mains, and Sen. Katie Muth.

Resolution 2022-72 Re: CAPTRUST Financial Advisors

Resolved, that the Public School Employees' Retirement Board hereby authorizes staff to extend the term of the contracts with CAPTRUST Financial Advisors for Act V Pension Consulting Services and General Pension Consulting Services and Advisory Agreement for Retirement Plan Investments for 12 months beginning February 12, 2023 under the same terms and conditions of the existing contracts.

Rep. Frank Ryan moved, with Jason Davis seconding. The motion passed with three absent being Eric DiTullio, Nathan Mains, and Sen. Katie Muth.

7.9.4 Benefits and Appeals

Melva Vogler reported on the Committee meeting held on August 4, 2022.

Melva Vogler stated that the Committee approved the minutes of the June 7, June 17, and July 26, 2022, meetings.

Melva Vogler reported on the following:

Executive Staff Review Committee Reports (ESRC) for July 29, 2022 and September 12, 2022.

7.9.5 Governance and Administration

Patrick Shaughnessy reported on the Committee meeting held on October 20, 2022.

Patrick Shaughnessy stated that the Committee approved the minutes of the August 4 and September 26, 2022, meetings.

Patrick Shaughnessy reported on the following:

The Committee met in Executive Session for Strategic Planning Consultant Presentations and Discussion.

Board elections candidates were announced by Patrick Shaughnessy with Terri Sanchez as Secretary of the Board certifying. Christopher Santa Maria declared results based on the announcement.

There were three Board member elections scheduled for this year: one regular election for an active certified position, one special election for an active certified position, and one election for the retiree position.

Mr. Jason Davis was the only candidate who submitted a nomination petition for the active certified regular election. Mr. Davis is qualified as a candidate for that position and his nomination petition was valid. He should therefore be elected by acclamation in accordance with Board's Election Procedures and Guidelines Policy. His three-year term will commence on January 1, 2023, and end on December 31, 2025.

Mr. Brian Reiser was the only candidate who submitted a nomination petition for the active certified special election. Mr. Reiser is qualified as a candidate for that position and his nomination petition was valid. He should therefore be elected by acclamation in accordance with Board's Election Procedures and Guidelines Policy. His two-year term will commence on January 1, 2023, and end on December 31, 2024.

The election for the retiree position is currently ongoing with three candidates who submitted nomination petitions and who are qualified as candidates. A drawing was conducted on Friday, September 23, 2022, at PSERS headquarters to determine the ballot position, which are:

1. Susan C. Lemmo
2. James P. Hoover
3. Russell James Diesinger

Ballots will be mailed on October 31, 2022.

Bev Hudson provided a progress report on the Funston recommendations Implementation Timeline.

Action Item –

Resolution 2022-73 Re: Strategic Planning Consultant

Resolved, that the Public School Employees' Retirement Board hereby directs staff to execute a Purchase Order under the existing Invitation to Qualify (ITQ) contract with Dering Consulting Group, Inc. for strategic planning services. The final terms and conditions of the Purchase Order must be satisfactory to the Office of Chief Counsel and the Office of Executive Director, as evidenced either by the appropriate signatures on, or by a memo to that effect appended to the implementing contract.

Patrick Shaughnessy moved, with Jason Davis seconding. The motion passed with three absent being Eric DiTullio, Nathan Mains, and Sen. Katie Muth.

7.9.6 Investment

Sec. Richard Vague reported on the Committee meeting held on October 21, 2022.

Sec. Richard Vague stated that the Committee approved the minutes of the August 4 and October 13, 2022, meetings.

Sec. Richard Vague reported on the following:

Robert Devine, Interim Chief Investment Officer, gave a PSERS Investment Dashboard overview.

Cori English and Sean Barber, Hamilton Lane, provided the Annual Performance Review of Private Equity.

Claire Shaughnessy, Aon, gave a presentation on the Second Quarter Performance.

The Committee tabled potential discussion on CTI for a future meeting.

The Committee met in Executive Session to discuss Confidential Provisions of Proposed Action Items; PSERS Culture and Transformative Innovation Factors; Direct Real Estate Update; and Update on Transition of Asset Allocation.

Investment staff provided a report on Asset Class Reviews for Non-Traditional Investments for Private Credit.

Hamilton Lane presented the Pacing Studies for 2023 on Real Estate and Infrastructure.

Action Items –

Resolution 2022-74 Re: Cabot Industrial Value Fund VII, L.P.

RESOLVED, that the Public School Employees' Retirement Board hereby commits an amount not to exceed \$175 million plus reasonable and normal investment expenses, to Cabot Industrial Value Fund VII, L.P. and/or related investment vehicles, in accordance with the recommendation of Melissa A. Quackenbush, Senior Portfolio Manager and Hamilton Lane. The final terms and conditions of the investment must be satisfactory to the Investment Office, the Office of Chief Counsel, and the Office of Executive Director, as evidenced either by the appropriate signatures on, or by a memo to that effect appended to, the implementing investment contract.

Sec. Richard Vague moved, with Jason Davis seconding. The motion passed with two opposed being Rep. Frank Ryan and Treas. Stacy Garrity, and three absent being Eric DiTullio, Nathan Mains, and Sen. Katie Muth.

Resolution 2022-75 Re: DRA Growth and Income Master Fund XI, LLC

RESOLVED, that the Public School Employees' Retirement Board hereby commits an amount not to exceed \$125 million plus reasonable and normal investment expenses, to DRA Growth and Income Master Fund XI, LLC and/or related investment vehicles, in accordance with the recommendation of Melissa A. Quackenbush, Senior Portfolio Manager and Hamilton Lane. The final terms and conditions of the investment must be satisfactory to the Investment Office, the Office of Chief Counsel, and the Office of Executive Director, as evidenced either by the appropriate signatures on, or by a memo to that effect appended to, the implementing investment contract.

Sec. Richard Vague moved, with Rep. Frank Ryan seconding. The motion passed with three absent being Eric DiTullio, Nathan Mains, and Sen. Katie Muth.

Resolution 2022-76 Re: Incline Equity Partners VI, L.P.

RESOLVED, that the Public School Employees' Retirement Board hereby commits an amount not to exceed \$125 million, plus reasonable and normal investment expenses, to Incline Equity Partners VI, L.P. and/or related investment vehicles, in accordance with the recommendation of Luke M. Jacobs, Portfolio Manager, and Hamilton Lane. The final terms and conditions of the investment must be satisfactory to the Investment Office, the Office of Chief Counsel, and the Office of Executive Director, as evidenced either by the appropriate signatures on, or by a memo to that effect appended to, the implementing investment contract.

Sec. Richard Vague moved, with Jason Davis seconding. The motion passed with two abstentions being Treas. Stacy Garrity and Joe Torsella, and three absent being Eric DiTullio, Nathan Mains, and Sen. Katie Muth.

Resolution 2022-77 Re: Insight Vision Capital II L.P.

RESOLVED, that the Public School Employees' Retirement Board hereby commits an amount not to exceed \$20 million, plus reasonable and normal investment expenses, to Insight Vision Capital II L.P., and/or related investment vehicles, in accordance with the recommendation of G. Anthony Meadows, Portfolio Manager and Hamilton Lane. The final terms and conditions of the investment must be satisfactory to the Investment Office, the Office of Chief Counsel, and the Office of Executive Director, as evidenced either by the appropriate signatures on, or by a memo to that effect appended to, the implementing investment contract.

Sec. Richard Vague moved, with Susan Lemmo seconding. Rep. Frank Ryan requested Insight provide venture capital experience to veterans. The motion passed with one abstention being Joe Torsella, and three absent being Eric DiTullio, Nathan Mains, and Sen. Katie Muth.

7.9.7 Ad Hoc

Susan Lemmo reported on the Committee meeting held on October 17, 2022.

Susan Lemmo stated that the Committee approved the minutes of the August 4 and October 4, 2022, meetings.

Susan Lemmo reported the Committee held an Executive Session for an update on the Chief Investment officer Search. No action items resulted.

7.9.8 Health Care

Susan Lemmo reported on the Committee meeting held on October 17, 2022.

Susan Lemmo stated that the Committee approved the minutes of the August 4, 2022, meetings.

Susan Lemmo reported on the following:

The Committee discussed Extension of Health Options Program Contracts with Segal Consulting and Gallagher Benefit Services, Inc.

Peter Camacci announced PSERS CMS Star Rating of 4.5 out of 5 STARS for Health Options Program and Prescription Drug Plan PDP Employer Group Plan for 2023.

Action Items –

Resolution 2022-78 Re: Segal Consulting for Health Care Consulting and Project Management Services

RESOLVED, that the Public School Employees' Retirement Board hereby authorizes staff to extend the terms of the contracts with Segal Consulting for Health Care Consulting and Project Management Services Associated with Health Options Program including the Medicare Prescription Drug Plan and with the Premium Assistance Program for 24 months beginning February 1, 2023 under the same terms and conditions of the existing contracts.

Susan Lemmo moved, with Patrick Shaughnessy Lemmo seconding. The motion passed with three absent being Eric DiTullio, Nathan Mains, and Sen. Katie Muth.

Resolution 2022-79 Re: Gallagher Benefit Services, Inc. Contract Extension

RESOLVED, that the Public School Employees' Retirement Board hereby authorizes staff to extend the term of the contract with Gallagher Benefit Services, Inc. for CMS Part D Compliance Activities Services and Pharmacy Benefit Consulting for 12 months beginning February 1, 2023 under the same terms and conditions of the existing contract.

Susan Lemmo moved, with Patrick Shaughnessy Lemmo seconding. The motion passed with three absent being Eric DiTullio, Nathan Mains, and Sen. Katie Muth.

7.10 Office of Chief Counsel

Executive Session

At 11:45 A.M., Terri Sanchez, Executive Director, stated "In accordance with Section 5.13 of the Bylaws of the Public School Employees' Retirement Board and Section 708(a) of the Sunshine Act, we are going into Executive Session for **Updates on Pending and Potential Litigation**, which, if conducted in public would violate a privilege or lead to the disclosure of information or confidentiality protected by law."

Stacey Connors moved, with Patrick Shaughnessy seconding. The motion passed with three absent being Eric DiTullio, Nathan Mains, and Sen. Katie Muth.

Regular session resumed at 12:36 P.M.

7.11 Executive Director Report

Terri Sanchez presented the Executive Director's Report through a slide deck, which included:

Welcoming new employees, Joseph Indelicato, Steven Heuer, Ronette Rhoden, Anokhi Patel, Danielle Harriman, and Bryan Santar.

Recognizing retired employees Tammy Travitz, Donna Keefe, and Larry Stewart.

Treas. Stacy Garrity and Ms. Sanchez will be panelists at PASA-PSBA School Leadership Conference on Tuesday, November 1, 2022.

Ms. Sanchez noted legislative updates.

PSERS is restarting the Foundations for Your Future presentations in-person and continue online.

PSERS received the award for Outstanding Achievement in Popular Financial Reporting from the Government Finance Officers Association (GFOA) for the fiscal year ending June 30, 2021. The Popular Annual Financial Report or as PSERS refers to as Summary Annual Financial Report, in which PSERS has earned its sixth consecutive year receiving the significant national award recognizing conformance with the highest standards for government popular reports.

7.12 Board Member Comments

Stacy Connors informed the Board that the COLA was not achieved this legislative session but dates were changed and drafts were submitted to PSERS and SERS in order to continue into the next legislative session. This extension will require a new actuarial note from IFO.

Adjournment

Without objection, the Board meeting adjourned at 12:58 P.M.

Next Meeting

The next regularly scheduled meeting of the Public School Employee's Retirement Board will be held December 16, 2022, via MS Teams and in-person at PSERS' Headquarters, 5 North 5th Street, Harrisburg, PA.

DocuSigned by:



12/7/2022